

ALAMO COMMUNITY COLLEGE DISTRICT FOUNDATION, INC.

FUNDS MANAGEMENT POLICY # 2

OBLIGATIONS TO THE DONOR:

The Alamo Community College District Foundation, Inc., hereafter referred to as the “ACCD Foundation,” has a fiduciary responsibility for ensuring that funds received from donations are managed and disbursed in accordance with donor intent. Notwithstanding Internal Revenue Service rules requiring that for a donation to be considered a tax deductible event the donor must release all control over the disposition of funds upon the transfer of the gift, it shall be the policy of the ACCD Foundation to honor the intent and purpose for which the donor initiated the gift within the following parameters.

An *unrestricted gift* by the donor shall be placed in an ACCD Foundation operating fund, referred to as the **Chairman’s Fund for Excellence**, from which the ACCD Foundation Board of Directors may expend monies for scholarships, matching funds, administrative, fund raising and/or other purposes supporting the operation and development of the ACCD Foundation and the students, faculty and staff, and colleges of the Alamo Colleges.

A *restricted gift*, as delineated by the donor for a specified purpose, shall be placed in a designated restricted fund. The *Foundation Scholarship Fund* is a general scholarship fund, from which the ACCD Foundation Board of Directors may expend monies for its Foundation Scholarships, matching scholarship program and other scholarships targeted at specific groups of students as the Board of Directors may from time to time direct.

Funds which are more specifically restricted by purpose, program or population shall be separately listed in a *chart of accounts*, and expenditures from these accounts made in accordance with criteria agreed to between the donor and the ACCD Foundation.

For a *non-endowed restricted fund* to remain separately listed in the *chart of accounts*, the fund balance can not decrease below \$1,000 for a period of two consecutive years. For any fund balance in a *non-endowed restricted fund* which decreases below \$1,000 for a period of two consecutive years, the ACCD Foundation Board of Directors reserves the managerial prerogative to transfer these funds to any other fund managed by the ACCD Foundation. This policy does not apply to temporarily restricted fund earnings associated with endowed funds or funds being treated as an endowment (TAE funds), such as a planned endowment fund.

Further, where neither a disbursement from, and/or an addition to, a *non-endowed restricted fund* has occurred within a two year period, the ACCD Foundation Board of Directors reserves the managerial prerogative to reallocate the balance of such funds to any other fund managed by the ACCD Foundation, subsequent to a reasonable attempt to notify the donor(s) establishing the restricted fund. This policy shall not apply to endowed funds, temporarily restricted funds associated with an endowed fund, nor funds being treated as an endowment (TAE funds).

ACCD FOUNDATION
FUNDS MANAGEMENT POLICY # 2

An *endowed restricted fund* may be established by a donor for a minimum amount of \$20,000, which shall remain inviolable, and shall be listed in a *chart of accounts*. There is not any maximum limitation. The *restricted fund earnings from an endowed fund* shall be separately listed in a *chart of accounts*, and shall be available for expenditure in accordance with the restrictions placed upon the endowment corpus for that fund and the payout policy of the ACCD Foundation.

A donor may also establish a *planned endowment fund* with a minimum \$6,000 gift, with a pledged commitment to increase the endowment corpus to a minimum of \$20,000 within three years. A *planned endowment fund* shall be *treated as an endowment* during this three year period, or until such time as the \$20,000 minimum is attained, at which time the fund shall be designated as an *endowed restricted fund*. Should the minimum \$20,000 not be attained within the three year period, the ACCD Foundation reserves the managerial prerogative to convert the planned endowment fund to a non-endowed restricted fund.

A donor may also contribute to an ACCD Foundation *unrestricted endowment fund*, the purpose of which is to perpetuate the advancement of the Foundation's mission and operations.

The ACCD Foundation Board of Directors shall exercise due diligence in disbursing all funds in accordance with donor intent.

ANNUAL BUDGET:

Approximately ninety (90) days prior to the beginning of a new ACCD Foundation fiscal year, the ACCD Foundation Board of Directors shall approve a pro forma budget for the following fiscal year, projecting both anticipated revenues and expenditures for scholarships, other student, faculty and staff, and college development purposes, and fund raising and administrative expenses.

At each quarterly regular meeting of the full Board, the ACCD Foundation Board of Directors shall review the approved pro forma budget and approve an adjusted pro forma budget for the balance of the fiscal year based on both actual and projected revenues and expenditures.

ACCD FOUNDATION
FUNDS MANAGEMENT POLICY # 2

FUND RAISING PLANS:

Approximately ninety (90) days prior to each new ACCD Foundation fiscal year the ACCD Foundation Board of Directors shall engage in planning discussions, and approve, an annual fund raising plan for the following calendar year.

This plan shall be based on, but not limited to, requests made by the Presidents of the Alamo Colleges and the Alamo Colleges' Chancellor for funding support.

Where a multi-year major gifts campaign is envisioned, the ACCD Foundation Board of Directors shall work closely with the Alamo Colleges' Chancellor and Alamo Colleges' Office of Institutional Advancement in devising appropriate campaign goals, objectives and strategies.

First established the 19th day of April, 2002.

Revised and approved by the ACCD Foundation Board of Directors the 21st day of April, 2006.

Revised and approved by the ACCD Foundation Board of Directors the 1st day of May, 2009.

Jackie Van De Walle, Chair
ACCD Foundation, Inc.

Katherine David, Secretary
ACCD Foundation, Inc.